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SOUTH STATION PROPOSALS
MARCH 1990

PUBLIC BENEFITS

FOREST CITY DEVELOPMENT COMPANY

OLYMPIA & YORK COMPANIES (USA)

TUFTS UNIVERSITY DEVELOPMENT CORPORATION (TUDC)

FOREST CITY DEVELOPMENT COMPANY



fully finished with appropriate furnishings and equipment; it will be rent-free. The child care center will serve employees of the complex as well as families in South Boston and Chinatown.

Recognizing the ever-increasing cost of quality child care and shrinking public resources, the development team will work closely with the selected child care provider to promote affordability within the TECHNOPOLIS child care facility by encouraging direct tenant involvement. Strategies will include the establishment of a tuition assistance fund for low- and moderate-income workers, encouraging tenants to purchase slots for their employees, tenant involvement in the center's fundraising activities, tenant participation on the child care center's Advisory Board, institution of a sliding fee scale system, and encouraging tenants to provide in-kind contributions of supplies and equipment.

In addition, working with the child care provider, the development team will provide tenant companies with additional information on child care options for their employees, such as in-

formation and referral services, dependent-care assistance programs, maternity and paternity leave policies, and lunch-time seminars for parents on child care, child development and parenting.

The development team believes that the TECHNOPOLIS child care center will greatly benefit from the cultural diversity offered by its proximity to Chinatown and South Boston and its urban location. Special outreach will be done to attract families from these neighborhoods. In addition, efforts will be made to recruit teachers and child care workers from both communities.

■ CREATION OF AFFORDABLE HOUSING

The TECHNOPOLIS development will have a significant impact on the creation of affordable housing in Boston. It will generate nearly \$11 million in housing linkage, with 20% going to the adjacent neighborhoods of South Boston and Chinatown. The development team will recommend to the Neighbor-

hood Housing Trust support of ongoing affordable housing programs in both Chinatown and South Boston for first-time homebuyers, and rental housing, in addition to other forms of assistance that will be provided to community-based housing organizations.

Chinatown

A comprehensive development plan for Chinatown was recently proposed by the Chinatown South Cove Neighborhood Council. The plan was developed by the community in conjunction with the city and the Boston Redevelopment Authority to provide a blueprint to guide future development and growth in Chinatown, and also to examine strategies to realize the community's goals of affordable housing, economic diversification, and new employment opportunities. The TECHNOPOLIS development team will work closely with the Chinatown South Cove Neighborhood Council to determine how linkage dollars generated by the project will be most effective in helping to fulfill the vision of the Chinatown Community Plan.

It is anticipated that the development team will recommend to the Neighborhood Housing Trust that a portion of the linkage dollars be targeted to support the ongoing development efforts of Parcels A, B and C. Parcel A, being developed by the Chinatown Economic Development Council, will provide 141 new units of affordable housing consisting of both rental and condominium apartments. The Asian Community Development Corporation was awarded tentative designation as the developer of Parcel B and plans to build 120 rental units, two-thirds of which will be affordable to low- and moderate-income households. In light of severe cutbacks in state-subsidized housing programs, linkage dollars will have to be utilized to offset the impacts of these cuts.

The Chinatown Community Plan recognizes the important role that Chinatown's community service providers play in improving the quality of life in the neighborhood and the need to upgrade and expand their facilities. It is further anticipated that the TECHNOPOLIS development team will recommend that housing linkage dollars be targeted to the creation of the Chinatown community center planned for Parcel C.

The community center will house job training, health-care services, cultural activities, youth programs, and advocacy services for the Chinatown community and adjacent housing on Parcels A and B.

South Boston

South Boston is in need of new affordable rental housing as well as home ownership opportunities for first-time homebuyers. South Boston Community Housing, Inc. (SBCH), is currently involved in two projects targeted at first time homebuyers: the Bolton Street Cooperatives and the Monsignor Joseph W. Lyons Development, **Phase II**.

The Bolton Street Cooperatives are part of the Boston Co-op Housing Program jointly sponsored by the Boston Housing Partnership and the Public Facilities Department. The goal of this new affordable housing production program is to work with community-based nonprofit organizations to build 500-1,000 new units of limited-equity cooperative housing in Boston over the next several years. SBCH is in the design and development stage of building 40 co-op units on the corner

of Bolton and West Second Streets. The development team would like to see linkage dollars directed to help offset the development costs of this project.

The Monsignor Joseph Lyons Development has provided eight families with the opportunity of homeownership (two units are still available). South Boston Community Housing is working with the City of Boston's Public Facilities Department in assembling parcels adjacent to this site to create approximately ten additional units. The development team will explore with SBCH how linkage dollars could be channeled specifically to support the second phase of this project.

Due to the current oversupply in the housing market there are many unsold condominiums in South Boston. Although many of these units have dropped in price, they are still beyond the reach of most first-time homebuyers. Given the serious cutbacks in state subsidies for affordable housing production, these surplus properties offer one of the few affordable opportunities for buyers or renters.

Three obstacles prevent first-time homebuyers from purchasing these available properties:

1. Purchase prices are too high.
2. Low- and moderate-income homebuyers do not qualify for conventional mortgages.
3. Homebuyers lack sufficient funds to cover closing costs.

Forest City could assist SBCH by directly negotiating with developers of such troubled properties in order to obtain for homebuyers the lowest possible price. To overcome the second obstacle, funds could be used to buy-down the mortgage rates for first-time homebuyers. This mortgage buy-down would be similar to the financing structure used in the Massachusetts Housing Partnership's successful Homeownership Opportunity Program.

To address the third point, linkage dollars from the TECHNOPOLIS project could be channeled to a pool that would loan funds to cover closing

costs at no interest. SBCH would locate available condominiums, market the units, and identify and prequalify the potential homebuyers.

Technical Assistance to Chinatown and South Boston Community Development Organizations

Forest City would take a direct role in providing technical assistance and expertise to local community development organizations. As noted above, this assistance could take the form of negotiations on behalf of the CDCs as well as providing access to Forest City's extensive real estate development experience. These areas may include marketing, project management, construction management, and financial analysis.

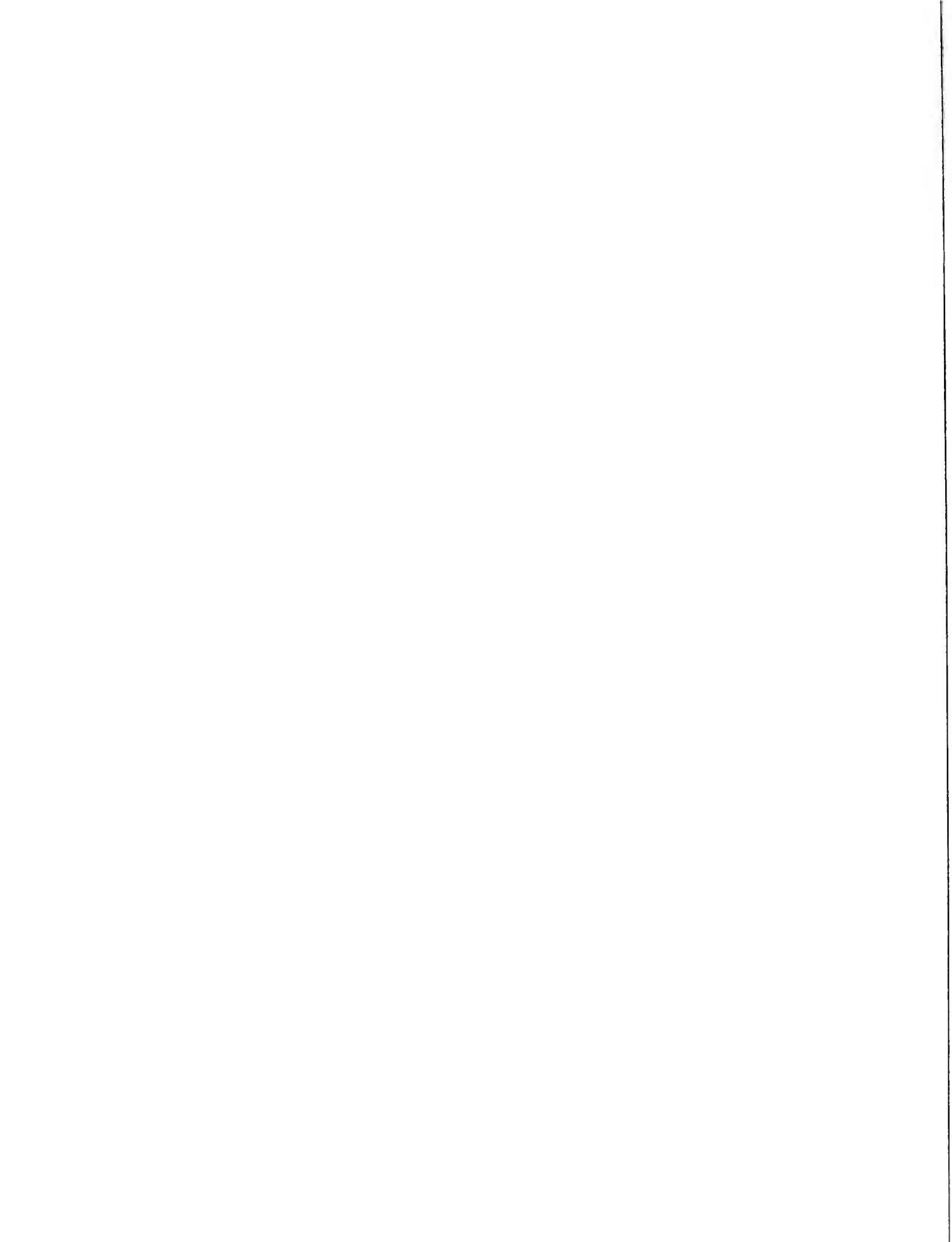
■ JOB CREATION

TECHNOPOLIS will have a major positive economic impact on the City of Boston and its neighborhoods which will enable residents to directly benefit from Massachusetts' burgeoning "new economy."

For example, TECHNOPOLIS will create 6,600 construction jobs during its construction phase and over 10,000 new permanent jobs (Refer to Figures 6.1 and 6.2). TECHNOPOLIS will have a wide range of employment opportunities for Boston residents with its mix of uses, including office, hotel, retail, biotechnology, medical research, diagnostics, and therapeutics jobs. This project will generate over \$2 million in jobs linkage creating new education and training programs.

Construction Jobs

An on-site referral program will provide guidance for walk-in applicants in the building trades, referring them to the appropriate union hall, training program, city agency or an alternative opportunity depending on their need



or skill. Beacon Construction Company has been a leader in the Boston area in setting new standards for the administration and reporting of EEO efforts. Beacon Construction initiated the process of preconstruction meetings with subcontractors to review goals and reporting requirements. Beacon's reporting procedures have been adopted by the Mayor's Office of Jobs and Community Services as the standard for all contractors.

In addition, Beacon Construction has undertaken several initiatives to promote the construction industry, particularly the construction trades, as an attractive career choice for Boston residents, minorities and women. These activities include:

- The World of Construction Pilot Program. This program was designed by Beacon Construction in collaboration with the Boston Public Schools to increase the number of students, particularly in those groups currently underrepresented in the construction industry, who will register for instruction in high school construction programs.

- Summer Externship Program. In conjunction with Greater Boston Chamber of Commerce, Boston Public School teachers spend three weeks at Beacon Construction learning about the construction industry so they may better inform their students about opportunities in the construction industry.
- Summer Internship Program. In conjunction with the Boston Private Industry Council, Boston high school students spend time at Beacon Construction whereby they can develop their skills related to interests in the construction industry.
- Beacon Construction Company is a member of the National Association of Minority Contractors as well as the Contractors Association of Boston. These memberships have kept Beacon close to the minority contracting community locally and nationally.

Permanent Jobs

The development team will work closely with the Mayor's Boston for Boston initiative to ensure that Boston residents have maximum access to the new employment opportunities. Information about available job openings will be collected and distributed to Chinatown and South Boston community-based organizations, training programs and the Mayor's Office of Jobs and Community Services' JobStart program on a monthly basis. An on-site employment resource center will provide up-to-date listings for people who walk into the complex seeking employment, and TECHNOPOLIS tenants will be encouraged to participate in on-site as well as neighborhood-based job fairs.

The hotel will provide approximately 350 new permanent jobs. The hotel operator will work closely with the Mayor's Office of Jobs and Community Services to ensure that Boston residents have first access to these jobs through neighborhood-based recruitment efforts. Chinatown and South Boston community service organizations will be asked play a key role in organizing these recruitment activities. Biotechnology, biomedical research

Construction Jobs in each Phase:

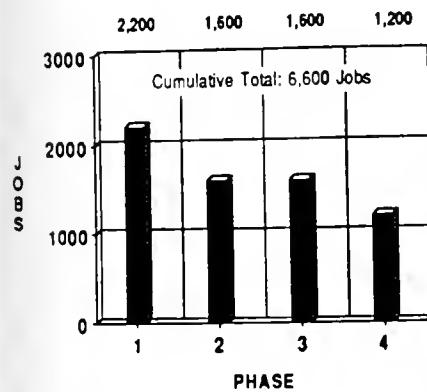


Figure 6.1:
Technopolis Construction Job Creation

Cumulative Permanent Jobs:

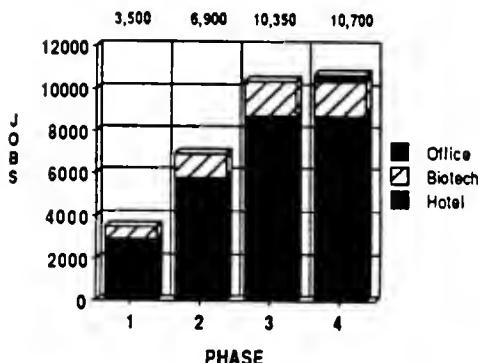
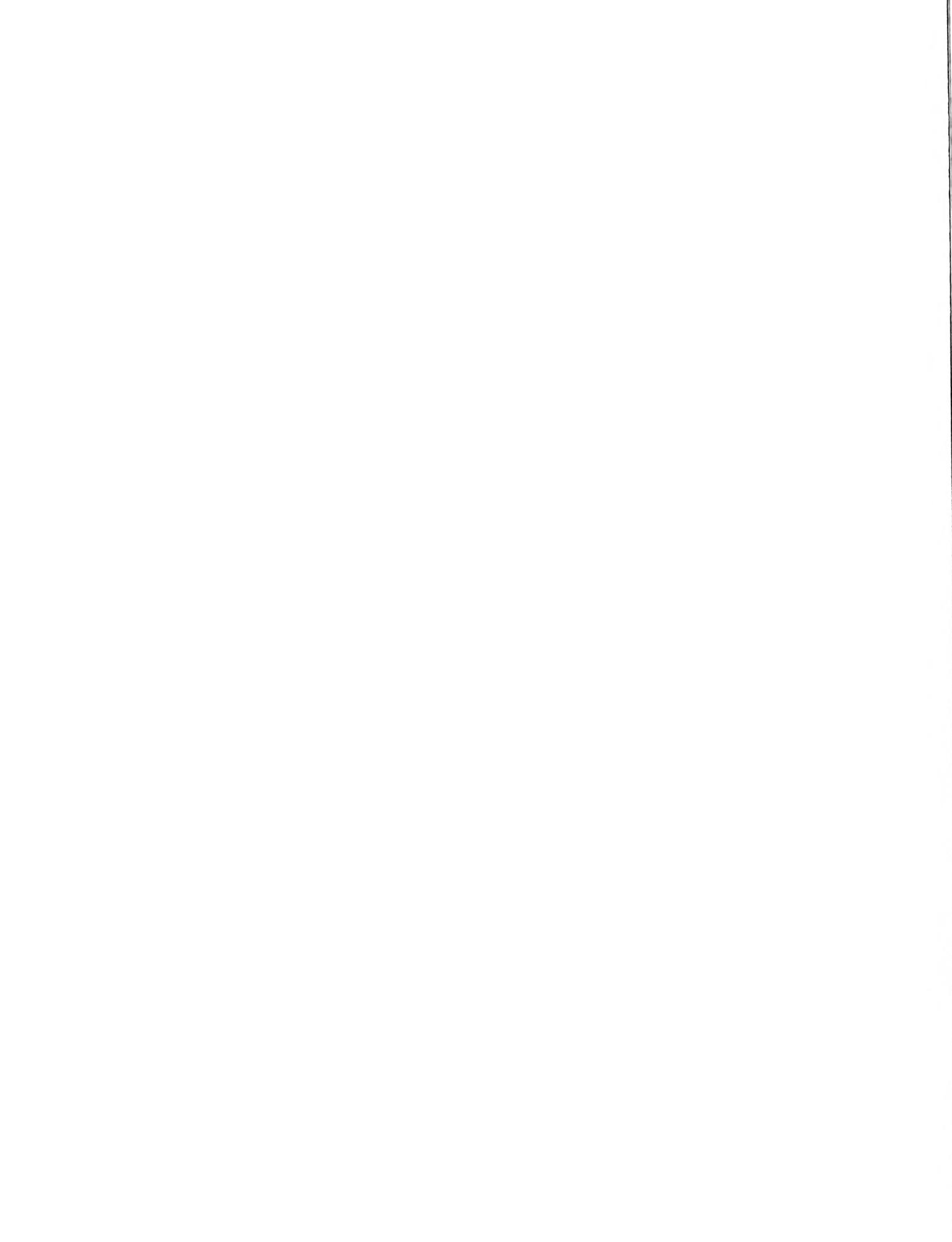


Figure 6.2:
Technopolis Permanent Job Creation



and other "new economy" job opportunities will account for more than 1,000 of the jobs at the complex. The development team will work closely with these employers to identify what kinds of skills are necessary for these jobs so that Boston training providers can develop a training timeline to ensure that people can move directly into jobs as they become available.

Since many people are not familiar with the kinds of jobs available in the "new economy" industries, the development team envisions working with tenants to provide open houses and workshops so people interested in training can have a greater understanding of the new occupations available at TECHNOPOLIS.

■ JOB TRAINING

TECHNOPOLIS will offer a wide range of job opportunities for Boston residents. Jobs linkage dollars will help to provide the training necessary to open the doors to meaningful employment. The development team will work in partnership with local training organizations in Chinatown and South Boston in the development of recommendations to the Neighborhood Jobs Trust for training programs targeted to the employment opportunities at TECHNOPOLIS.

The development team envisions that some of the linkage dollars will be targeted to fund additional English as a Second Language (ESL) programs in Chinatown. Limited English language skills are often a barrier to employment resulting in limited economic opportunities for Asian residents. Many ESL programs in Chinatown have long waiting lists, and a shortage of instructors, and would benefit from additional resources that would allow them to expand their capacity. Occupationally-specific ESL will provide Chinatown residents with faster access to training and employment opportunities.

The development team will also explore working with training providers and TECHNOPOLIS employers to design customized programs that are specific to the employers' needs. For example, a biomedical tenant may have a need for lab technicians. A skills training provider would work with that tenant in designing a program specifically for that position. Upon program completion, graduates could move directly into jobs.

Lack of available classroom space is often an obstacle in setting up new training programs. In addition, the equipment necessary for biomedical and high-tech training is costly. Many training providers have to hold classes outside their community to access space and equipment. The development team will explore the possibility of offering classroom and simulated laboratory space on-site to Chinatown and South Boston training programs.

■ COMMUNITY BUSINESS DEVELOPMENT

South Boston, Chinatown and the Leather District have been fertile grounds for the development of new small- and medium-sized businesses. To encourage development of these businesses, the development team is committed to two activities:

- 1. Area Small Business Directory -** Every two years, beginning in 1991, the development team will publish and distribute an area business directory which will describe existing businesses in Chinatown, South Boston and the Leather District. The directory will be distributed at no cost to purchasing agents and other executives of businesses in the immediate area. Special efforts will be made to promote the directory to firms doing business with Forest City, its tenants, its suppliers, the Central Artery staff and their vendors, and the Atlantic Avenue Abutters Group.
- 2. Area Small Business Purchasing Forums -** On a quarterly basis beginning upon completion of the first phase of construction, Forest City will hold small business purchasing forums on

the site. At these forums, purchasing agents and other executives from tenants on the site and related institutions will present information on upcoming purchasing requirements as well as purchasing procedures used by the entities. The development team will attempt to involve purchasing firms in the area through the Atlantic Avenue Abutters Group, which is the two-year old group of businesses and residents in the Dewey Square and Leather District Area.

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Public Benefits of the Project

The project will constitute an important stimulus to the Boston economy in general and will benefit particularly the Chinatown, South Boston and South Cove communities. It offers a way to capitalize on the dynamic of institutional expansion in the City and the continued demand for office space in the financial district without displacing or negatively impacting established communities.

Based on our preliminary plans, we estimate that construction of the project should result in 3200 worker years of construction employment, spread over a 6-10 year period. With all of the space built out, we estimate there could be 6300 permanent jobs located on the site.

Construction of the project should provide \$130 million in construction wages, and annual permanent employee payrolls of approximately \$ 171 million.

We will subscribe to the Boston Residents Construction Employment Plan and will work closely with the Mayor's Office of Jobs and Community Services to ensure that the maximum number of job opportunities possible flow to Boston residents, especially women and minority employees.

The project could generate job linkage funds of approximately \$2.6 million, which will be applied to a focused effort to provide employment and training opportunities for low income residents of adjacent communities, allowing them to enter the growing job market for technical service employment. (The MBTA Bus Terminal has been excluded from linkage estimates)

Housing linkage funds of \$13.2 million could be generated by the project. With current rates of subsidy, they should enable the creation of approximately 660 units of affordable housing. The developer will elect the housing creation option and will work with the Chinatown, South Boston and South Cove communities to expand the supply of affordable housing in these communities. Development of housing on several of the sites which will become available as a result of the Central Artery project is one opportunity to expand housing opportunities without displacing existing commercial space or residential units.

We are also prepared to explore the involvement of Neighborhood Business Enterprises, Community Development Corporations and other community based non-profit organizations in the project.

Two child care centers totalling 12,000 sq.ft. of space will be included in the project, meeting the requirements of the zoning for the area. These facilities, including outdoor play area, will be provided on the upper concourse level so that they are easily accessible from the office tower and research and institutional space.

TUFTS UNIVERSITY DEVELOPMENT CORPORATION (TUDC)

II. BENEFITS FOR BOSTON

Introduction

A key component of the TUDC proposal for the development of a technopolis at South Station is the community benefits package. In its proposal, TUDC has maximized the number of new opportunities created for Boston residents and has incorporated into the proposal opportunities for a variety of new players. The development proposal anticipates the creation of thousands of new jobs for Boston residents, myriad new business opportunities for women-owned and minority businesses, community development corporations and neighborhood business enterprises, and additional opportunities for small businesses in the incubator stage to receive the needed technological assistance to start them on their way. Further, the development will generate tax revenues for the City, attract foreign investment to Boston, generate approximately \$9.6 million in linkage funds and have other spin-off economic effects through the creation of new economy enterprises. In addition to benefits for the community and economic impacts generated by the development, important contributions to urban design and public art will be made by the South Station proposal.

Two of the key elements of the Tufts International Research Center public benefits package are the number and the range of jobs the development will create, and the job training programs that will be part of the development. The Center will house new economy industries, generating many new employment opportunities in the biomedical and related fields at all levels. These jobs will be in addition to many jobs created by the development-related industries. Biotechnology, while offering Boston residents the opportunity to learn new skills in a rapidly growing field, will bring economic benefits far beyond the building of the Center.

The Tufts International Research Center has a well-rounded public benefits package which maximizes benefits to Boston residents with particular attention given to neighborhood groups in Chinatown and South Boston.

A. JOB CREATION

The Tufts International Research Center will house over 6,000 new jobs. Please see Table II-1. These jobs will be at all levels of the market — from maintenance staff to Nobel prize-winning researchers. The majority of these jobs

TABLE II-1.
JOB GENERATION SUMMARY

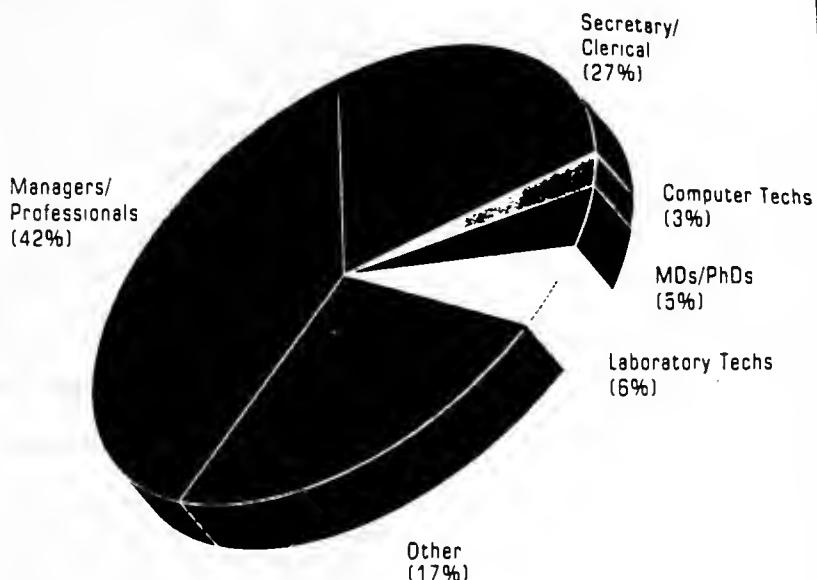
Program Component	S.F./ Employees	Permanent Jobs	Research Scientists	Laboratory Techs.	Computer Techs.	Professional/ Manager	Secretary/ Clerical	Maintenance	Other	Total	Construction Cost (Millions)	Construction Jobs (1)	
Tufts University	100,000	395	253	57	68	26	27	57	7	11	253	\$17.8	327
Corporate Labs	328,400	395	831	187	224	86	87	186	24	36	831	\$58.6	1,073
Multi-Tenant Labs	150,000	395	380	85	103	39	40	85	11	16	380	\$26.7	490
Government Offices	50,000	200	250			160	75	15			250	\$8.9	163
Office Tower	698,600	200	3,493			2,175	1,129	189			3,493	\$116.1	2,129
Hotel	574,700	650	884			40	100	744			884	\$55.1	1,010
Retail	26,200	200	131			13				118	131	(2)	0
Parking / Deck	540,000	25,000	22			2				20	22	\$73.2	1,342
Total	2,467,900	8,244	329	385	152	2,544	1,632	991	281	8,244	\$358.5	8,535	

(1) Calculated as 55% of hard cost divided by average annual wage of \$30,000.

(2) Cost included in Office Tower calculation.

Permanent Jobs to be Created: 6,244

Tufts International Research Center



Note: an additional
6,535 construction jobs
are anticipated

will be newly created by companies which have chosen to undertake new endeavors at the Center, such as the pharmaceutical, health services, medical devices and biotechnology companies, the hotel, and others.

Using the assumptions regarding square footage per employee in the BRA's "Health Services Economy" Report, the 6,000+ permanent jobs to be created at the Center would break down into:

- approximately 330 doctorate level research positions in the new laboratories;
- approximately 550 mid-level positions requiring specialized technical training for scientific research;
- approximately 2,500 administrative or professional jobs, 2,100 of which will be in the office space; and
- approximately 2,750 support positions consisting of clerical, hotel staff, janitorial and maintenance.

Many jobs will require specialized intermediate level training as discussed below. Jobs which will not require specialized skills will be suitable for people just coming into the job market or people who have suffered the loss of a job due to retrenchment in the service or defense industries. Other jobs will require special training at the highest academic level —

doctors, researchers, lawyers, managers, etc. These jobs will be filled by people from the higher education system throughout Massachusetts and New England and by lateral movement within their field. In fact, the entire premise of the viability of the Center derives from the assumption that finding researchers in or attracting researchers to Boston requires no investment; that high quality researchers and research environments are an indigenous resource.

In addition, the Center is expected to generate over 6,500 (person-year) construction jobs. TUDC is committed to filling as many of these jobs as possible with Boston residents.

B. JOB TRAINING

1. Permanent Job/Career Training

Central to the development objectives for the South Station redevelopment project is the creation of new economic opportunities for residents of Chinatown, South Boston and all other Boston neighborhoods. One of the routes to realizing this objective is the generation of new jobs and the appropriate training/retraining of the resident workforce to fill those positions.

This is also essential to the marketing of the Center and the long-term public policy objective of diversifying Boston's economic base. The New England Board of Higher Education (NEBHE) spon-

The Tufts International Research Center will house over 6,000 new jobs.

"At Tufts University's three-year old interdisciplinary Biotechnology Engineering Center, 20 Massachusetts biotech companies are helping to underwrite new courses in protein purification and applied enzymology."

NEBHE Report

sored report on "Biomedical Research and Technology", June, 1988, identifies as a principal issue of concern that:

"...there are an inadequate number of trained personnel with skills required by biomedical/ biotech firms for production and manufacturing."

Companies to whom the Center is being marketed must perceive that the labor pool will be adequate for its needs.

The City has recently announced several initiatives in vocational education in which TUDC proposes to participate in order to help assure an adequate labor pool for the Center.

- **Boston Health Careers Academy:** TUDC will work with the City in planning and implementing this Academy. Presumably one step in this process will be to survey the industry as recommended by the New England Board of Higher Education to assess supply and demand. Working with the industry, unions, other educational institutions and vocational training providers, curricula and programs can then be designed and coordinated to meet industry's needs and make these jobs accessible and available to Boston residents.

- **Biomedical Technology Training Programs:** TUDC will collaborate with the Bay State Skills Corp. to promote this college level, degree-granting program to residents of Boston. The Director of Bay

State Skills Corp. is on the Management Advisory Committee of TUDC to help in this effort and others involving career training.

- **Conference of Boston Teaching Hospitals:** TUDC will bring its access to the Conference through Tufts University to the efforts described above and others which may evolve.

- **Boston for Boston:** TUDC will encourage tenants to participate in the Boston for Boston program by recruiting graduates of the Boston Jobs Academy into new permanent positions created at the Center.

As evidence of its commitment to job training, TUDC can point to an example of Tufts' preliminary response to the marketplace need identified to date. At Tufts University's three year old interdisciplinary Biotechnology Engineering Center, 20 Massachusetts biotech companies are helping to underwrite new courses in protein purification (separation science) and applied enzymology. At the Tufts Center, evening post-graduate courses are offered for professional researchers already affiliated with biotech firms who wish to upgrade their expertise and for engineers and scientists wishing to acquire new skills for work with biotech firms. Specialists with expertise in chemical engineering, chemistry, and biology teach the principles and practice of biotechnology processing through lectures, seminars, and extensive laboratory

work at the Center's pilot fermentation plant, one of the largest academically based facilities of its kind in New England. This model may be of use to other New England states.

Tufts has also begun a dual-degree program with Worcester Polytechnic Institute to prepare veterinarians for careers in biotechnology. Those enrolled in the program will spend four years pursuing a Doctor of Veterinary Medicine degree at Tufts. An additional year and a summer will be spent at WPI, taking individually-selected courses in areas such as recombinant DNA, and conducting hands-on thesis work toward a Master of Science degree in applied biotechnology.

2. Construction Job Training

During the five to seven years it will take to build Phase I of the Center an estimated 12,000 construction jobs (person-years) will be created. TUDC is committed to working with the City and union locals to prepare for such a large demand being placed on the local job market when the Central Artery/Third Harbor project and several other large projects are anticipated to be underway at the same time. TUDC will hire an experienced staff person (MBE/WBE) approximately one year prior to the commencement of construction to coordinate cooperation with the City and the unions in getting Boston residents into and through training programs to help fill the anticipated unmet demand for qualified

tradespeople. This staff person will remain through construction to oversee project compliance with the City's 50-25-10/Boston residents ordinance.

C. NEW BUSINESS DEVELOPMENT

Tufts experience in dealing with the business community to commercialize its intellectual property (with concomitant jobs and capital formation) dates back to the early nineteen eighties, shortly after changes in patent law and government regulations allowed - indeed encouraged - universities to retain ownership of intellectual property discovered under government auspices.

The Tufts Office of Patents and Licensing provides critical linkages for academic researchers: it identifies research with potential for product development; it helps the researcher/inventor understand the market needs and product niche towards which the product can be developed; it provides assistance in seeking patent protection and developing the patent application; it shapes the development and marketing program for the invention.

Throughout those years, the Tufts Enzyme Center was a hotbed of cutting-edge research and entrepreneurial activity. In 1981, Penicillin Assays, Inc. was formed around research developed at the Center, as was Genzyme Corporation in 1983. The Enzyme Center was spun out of the University in 1984 and privatized

The University has signed five license deals in the last eight months, in areas ranging from pharmaceuticals and biotech, to fiber optics and solid state thin-film electrochromic coatings. In the process, four Massachusetts companies have been formed.

Recent discussions with Zero Stage Capital, Copley Venture Partners, 3i and others have centered on the interactive role these groups might play in uncovering Tufts' many "diamonds in the rough".

Genzyme is the leading independent supplier of the key active components used by manufacturers of clinical diagnostic kits for diabetes, and for coronary artery and pancreatic diseases.

From 1982 to 1986, Genzyme Corp. experienced an almost 400 percent increase in sales, with its number of employees more than tripling. The company's Ceredase is approved for treatment of Gaucher's disease, a fatal genetic disorder that affects 10,000 to 20,000 people in the United States.

Unlike Genetics Institute, which will market EPO through established drug companies, Genzyme intends to sell Ceredase directly. That will make Genzyme the first Massachusetts company to sell its own biotech therapeutic directly. Genzyme's CEO, Henri Termeer, predicts that by 1991 Ceredase will be contributing \$60 million to \$100 million to Genzyme's annual revenue; Genzyme's revenue last year was just \$34 million.

into Biopure Corporation, which has since the recipient of \$50 million of private venture capital. Shortly thereafter, in late 1984, Tufts recognized the need to formalize its efforts in the transfer of technology to the private sector and started its Office of Patents and Licensing.

Since that time, the University has concentrated its efforts on establishing a firm foundation of patent protection for its technology. Toward this end, guidelines and procedures for this area have been developed, the visibility and credibility of the program have been established, and, perhaps most important, a modus operandi has evolved among those responsible for the success of the operation. The director, with guidance from the Intellectual Property Committee of Patents and Licensing, works closely with the University General Counsel, the Senior Director of Development, the Director of Corporate Relations, the Associate Provost for Research, and a number of outside patent attorneys and consultants to structure and implement policy as it relates to the protection and exploitation of Tufts' technology.

With this infrastructure solidly in place, Tufts has recently moved forward to the next phase of its efforts: that of promoting licensing activity. Toward that end, the University has signed five license agreements in the last eight months, in areas ranging from pharmaceuticals and biotechnology, to fiber optics and solid

state thin-film electrochromic coatings. In the process, four Massachusetts companies have been formed around Tufts technology: Transgenic Sciences, Inc., Cytobios, Inc., Optical Sensor Consultants, Inc., and Smart Glass, Inc. In fact, Tufts University is a 10% founding partner of Transgenic Sciences which now employs over 170 people. Several more companies are in formation and likely to appear in the coming months.

Tufts' activity in this area has led to an increase in awareness not only among those corporations wishing to license directly technology or sponsor research at the University, but also among venture capitalists with a solid, responsible, longer term approach to value formation. Recent discussions with Zero Stage Capital, Copley Venture Partners, 3i and others have centered on the interactive role these groups might play in uncovering Tufts' many "diamonds in the rough".

It is expected that Tufts' interactions with the business community will proliferate in the years ahead, building toward the opening of the Center. This proliferation will be the result of increased awareness on the part of industry and of Tufts' proactive efforts in this regard. Efforts are currently underway to optimize the use of the University's Development Division to establish Tufts/industry research ties. Longer term plans for expansion of the Patent and License Office and augmentation of Tufts' Patent and Licensing Office will be



accomplished in a measured manner as needs are created by the environment envisioned for the Center.

The objective of the Tufts Patents and Licensing Office will continue to be to act as an agent of outreach to the regional, national and international business communities relative to nascent technologies and state of the art research in order to facilitate the transfer of this intellectual property from the academic setting to an arena in which its economic potential may be realized.

D. THE CONFERENCE CENTER

The Conference Center facilities to be created as part of its hotel complex should be considered separately as a public amenity since these facilities will serve Boston's downtown financial and metropolitan communities as much as they will the Center's international visitors. The conference facilities, set in luxurious surroundings, will have the capacity to host a single meeting of 3,500 attendees or numerous smaller meetings.

Meeting rooms and an auditorium will be available for lectures, audio-visual presentations and seminars. Special teleconferencing facilities will be constructed to accommodate the increasing demand for more sophisticated telecommunications facilities. This facility will be tied into the teleconferencing auditorium of the Sackler Center for Health Sciences Communications on the Tufts Health

Sciences campus, as well, allowing electronic communication across the street or around the globe.

Also of significant public interest will be the grand ballroom where banquets and grand social galas will be held, as well as large day-time functions. These facilities, together with the hotel restaurants and cafes, are not to be overlooked as public amenities of importance to a thriving international city.

E. NBE, CDC, MBE AND WBE INVOLVEMENT

TUDC will develop an aggressive program to provide business opportunities to:

- Minority Business Enterprises (MBEs);
- Women Business Enterprises (WBEs);
- Neighborhood Business Enterprises (NBEs); and
- Community Development Corporations (CDCs).

TUDC will engage a M/WBE firm to implement the program. This firm will coordinate this program to guarantee the involvement of these four types of organizations in the development and operation of the Center.

The potential areas for inclusion of these groups are:

- 1. Development Team:** As members and consultants on the development team.
- 2. Tufts International Research Center:** On-site at South Station as tenants, or as providers of goods and/or services.
- 3. Community Benefits:** As operators of or consultants to the proposed community benefits programs.
- 4. Financing:** As venture capital investors or lenders for the proposed development.

The specific programs outlined below do not preclude other programs which may be developed after designation, working with the TUDC coordinator and the various interested parties.

1. Development Team

a. Each member of the TUDC team has an established history of working with certified M/WBEs. All development team members and consultants will be required to use best faith efforts to contract with M/WBEs and NBEs.

TUDC and its coordinator will provide referrals, information, and guidance to increase opportunities.

b. TUDC will hire an MBE or WBE as a part of the development team to monitor construction employment and ensure compliance with the 50-25-10 Executive Order and Boston. Compliance with these regulations will create 3,000 construction jobs for minorities and 1,200 construction jobs for women.

c. TUDC commits to designate a MBE/WBE/NBE as exclusive leasing agent for the 26,200 s. f. of retail space at the Center.

2. Tenants/On-Site

a. TUDC will undertake an aggressive marketing program to target 25% of the retail space in the Center for NBEs.

b. TUDC will solicit a community-based day care operator for the on-site center. The development of the day care centers will be undertaken in consultation with the Tufts day care staff and faculty.

c. TUDC will undertake a bidders' conference for goods and services needed on-site at the Center. A purchasing goal of 10% from these four groups will be established.

3. Community Benefits

a. TUDC will undertake a program to secure operators for the proposed day care centers in Chinatown and South Boston. In all three service areas, TUDC will target engagement from the four groups.

b. TUDC is proposing the possibility of development of two affordable housing projects, one in Chinatown and one in South Boston. In each case, it is contemplated that a local development entity would be designated as developer of a site. TUDC is prepared to offer technical assistance to the CDCs during the development process.

c. TUDC will attempt to secure NBE/CDC operators for any off-site job training programs in South Boston and Chinatown.

d. Cultural facilities and the creation and installation of art work may provide opportunities for NBEs and MBEs.

4. Venture Capital/Financing

TUDC has developed this framework with a long-term focus in mind. The four groups have not only been incorporated as part of the initial development team, but as viable business enterprises providing necessary goods and services over the long run for the Center. The economic spinoffs of assisting local neighborhood businesses and creating new neighborhood jobs, of providing contracts and projects for minority and women business enterprises, and of including neighborhood community development corporations in the development of local Chinatown and South Boston benefits has far greater impacts than just having these groups participate as up-front members of the development team.

TUDC will seek out and develop banking and financial relationships with the four groups wherever possible and appropriate and, in so doing, help establish this component of the "new economy" in a meaningful way.

5. Neighborhood Housing

Should appropriate sites be available, TUDC proposes that the South Cove neighborhood housing be developed by NBEs or CDCs to be selected through an open community process. This development could represent significant organizational development and income opportunities. Opportunities for NBE, CDC, and M/WBE involvement include development management, consulting, design and construction, and property management, leasing, and marketing. TUDC is prepared to work with the City, the Neighborhood Housing Trust, community, and the designated NBE/CDC to target linkage dollars from the Center to any housing development.

F. PUBLIC ART

TUDC regards the achievement of a sufficiently high quality level of public amenities as essential to the successful marketing of the Center. The presence of works of art is, in turn, critical to achieving that quality.

Therefore, although not a requirement of the Request For Proposals, TUDC proposes to allocate funds to the

creation and installation of works of art in public spaces throughout the Center.

TUDC views this component of the project as an opportunity to sponsor and work with the local art community. To accomplish that objective, TUDC proposes that a committee be established with representatives from various interested constituencies, including many members of the Massachusetts Cultural Alliance.

TUDC would look to this committee to work with it in establishing working guidelines and policies, budget allocation formulas, artist eligibility and selection criteria, a jury member selection process, and such other matters as will arise in the administration of the program.

TUDC envisions the Center as a place not only where graphic arts daily enhance the urban experience, but where performance arts of all sorts will be invited to enrich and complement the hard work and intellectual stimulation ongoing in commerce and the sciences. The spirit and design of the Center are intended to nurture everything from painting to dance to lectures to computer graphics and video, making the Center truly a cosmopolitan home for the culture of the 21st century.

G. LINKAGE

The Center will be subject to Articles 26A and 26B of the Boston Zoning Code which will obligate TUDC to pay linkage.

The \$9.7 million in linkage dollars generated by the Center are estimated in Table II-2.

H. PROPERTY TAXES

Permanent property tax revenue to be generated by the Center upon full build-out, is estimated in Table II-3. A tax agreement with the City should be discussed to assist the project to phase into full assessment. This would enhance early economic viability and specifically encourage new economy industries to locate in Boston.

Table II-2.
Linkage Calculations

Program Component	G.S.F.	Deductions	Eligible G.S.F.	Article 26A	Article 26B	Total Linkage
Tufts University	100,000	0	100,000	\$500,000	\$100,000	\$600,000
Corporate Labs	328,400	100,000*	278,400	1,392,000	278,400	1,370,400
Multi-Tenant Labs	150,000	0	150,000	750,000	150,000	900,000
Government Offices	50,000	0	50,000	250,000	50,000	300,000
Office Tower	698,600	100,000*	598,600	2,993,000	598,600	3,591,600
Hotel	574,700	100,000*	474,700	2,373,500	474,700	2,848,200
Retail	26,200	0	36,200	131,000	26,200	157,200
Parking / Deck	540,000	540,000	0	0	0	0
Totals	2,467,900	840,000	1,627,900	\$8,138,500	\$1,627,900	\$9,767,400

Table II-3.
Property Tax Calculations

Program Component	G.S.F.	Estimated Cost	Property Taxes (1)
Tufts University	100,000	\$25,600,000	\$612,000
Corporate Labs	328,400	84,100,000	2,010,000
Multi-Tenant Labs	150,000	38,400,000	918,000
Government Offices	50,000	12,800,000	306,000
Office Tower	698,600	211,100,000	5,046,000
Hotel	574,700	133,700,000	3,195,000
Retail	26,200	(2)	(2)
Parking / Deck	540,000	95,200,000	2,276,000
Totals	2,467,900	\$681,000,000	\$14,365,000

(1) Calculated as total development cost times commercial tax rate of \$23.90/\$1,000.

(2) Calculation included in Office Tower.



III. NEIGHBORHOOD BENEFITS

A. Compliance with Chinatown Community Plan

In 1986, Tufts University submitted to the BRA an Institutional Master Plan (IMP), which contained the proposal for a ten year expansion of Tufts' South Cove campus as shown in **Table III-1**. In light of the opportunities for expansion at South Station and recent planning work, TUDC, if designated as developer of the Air Rights, would seek to persuade Tufts to reconfigure its IMP for South Cove.

The South Station RFP and Chinatown Community Plan are complementary documents. Both are designed to achieve the planning goals and objectives of Chinatown residents and businesses. Any revisions to the IMP would seek to contribute significantly to achieving the community's stated objectives:

- To consolidate institutional uses;
- To create more affordable housing;
- To generate employment and training opportunities for residents;
- To diversify the neighborhood economy; and

- To create new open space.

First and foremost, the new IMP would affirm a commitment to creating opportunities for more affordable housing. The new IMP would not call for development of housing over the air rights over the Turnpike by Tufts, as previously proposed. Development in South Cove could be concentrated along Kneeland Street, thus creating an institutional spine extending from the New England Medical Center down to South Station and allowing a consolidation of the residential section of Chinatown.

The new IMP would propose that the community housing, day care, fitness center, and commercial space which may be available for development on the University land be developed by an NBE or CDC. TUDC understands that the Trustees of Tufts University would consider making land in the Chinatown area available to an MBE/CDC designated as developer thereof upon resolution of three issues:

1. Approval of Tufts University's amended Institutional Master Plan;



TABLE III-1.
TUFTS UNIVERSITY
MASTER PLAN — July, 1989

Square Feet

1. M&V Complex

Laboratory	220,000
Administration	111,000
Classroom	27,000
Retail / Service	0
Subtotal	358,000

2. P-2 Parcel

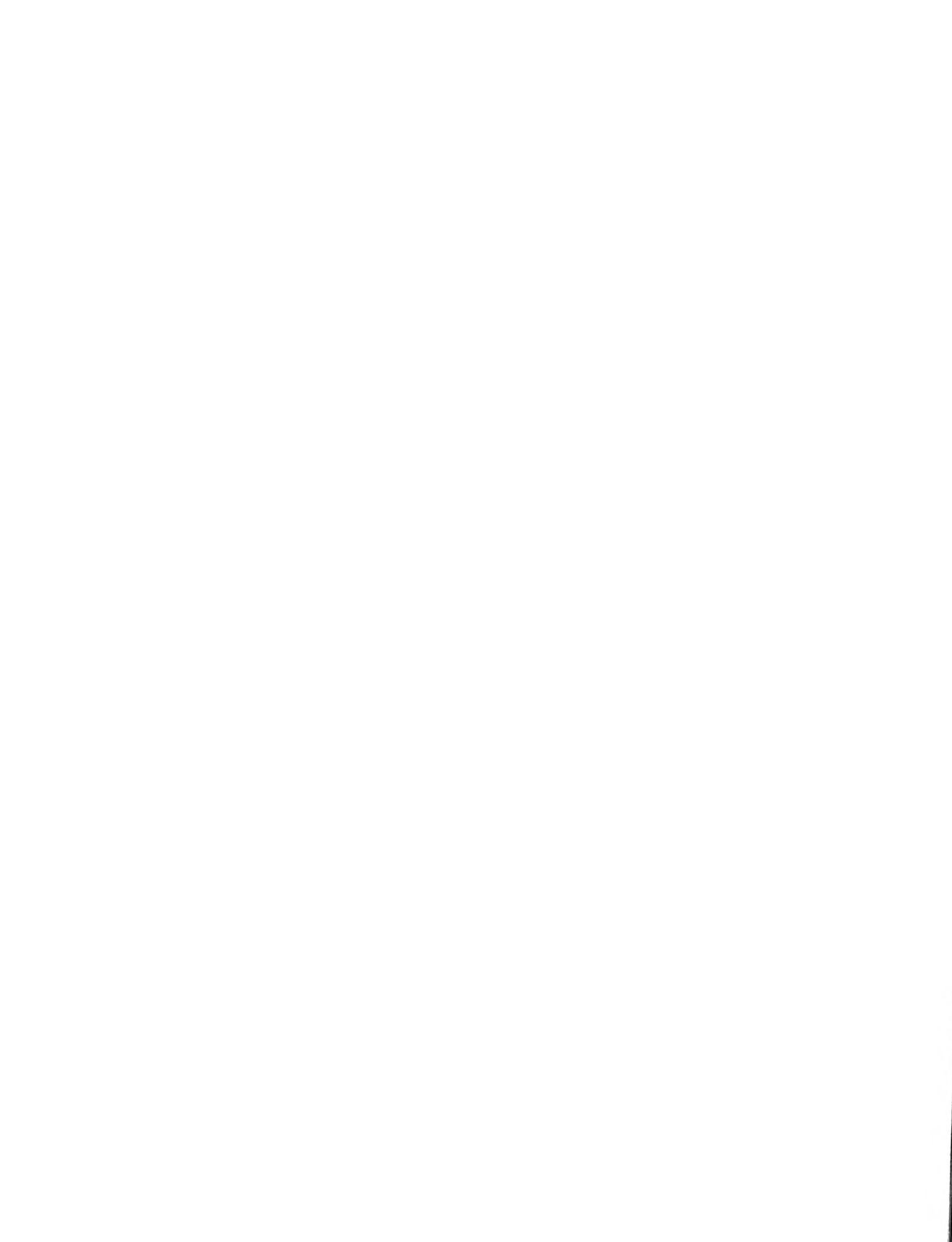
Laboratory	159,900
YMCA	38,100
Retail / Service	5,500
Housing	297,000
Subtotal	500,500

3. R-1 Parcel

Laboratory	340,200
Administration	75,600
Retail / Service	5,600
Housing	151,200
Subtotal	572,600

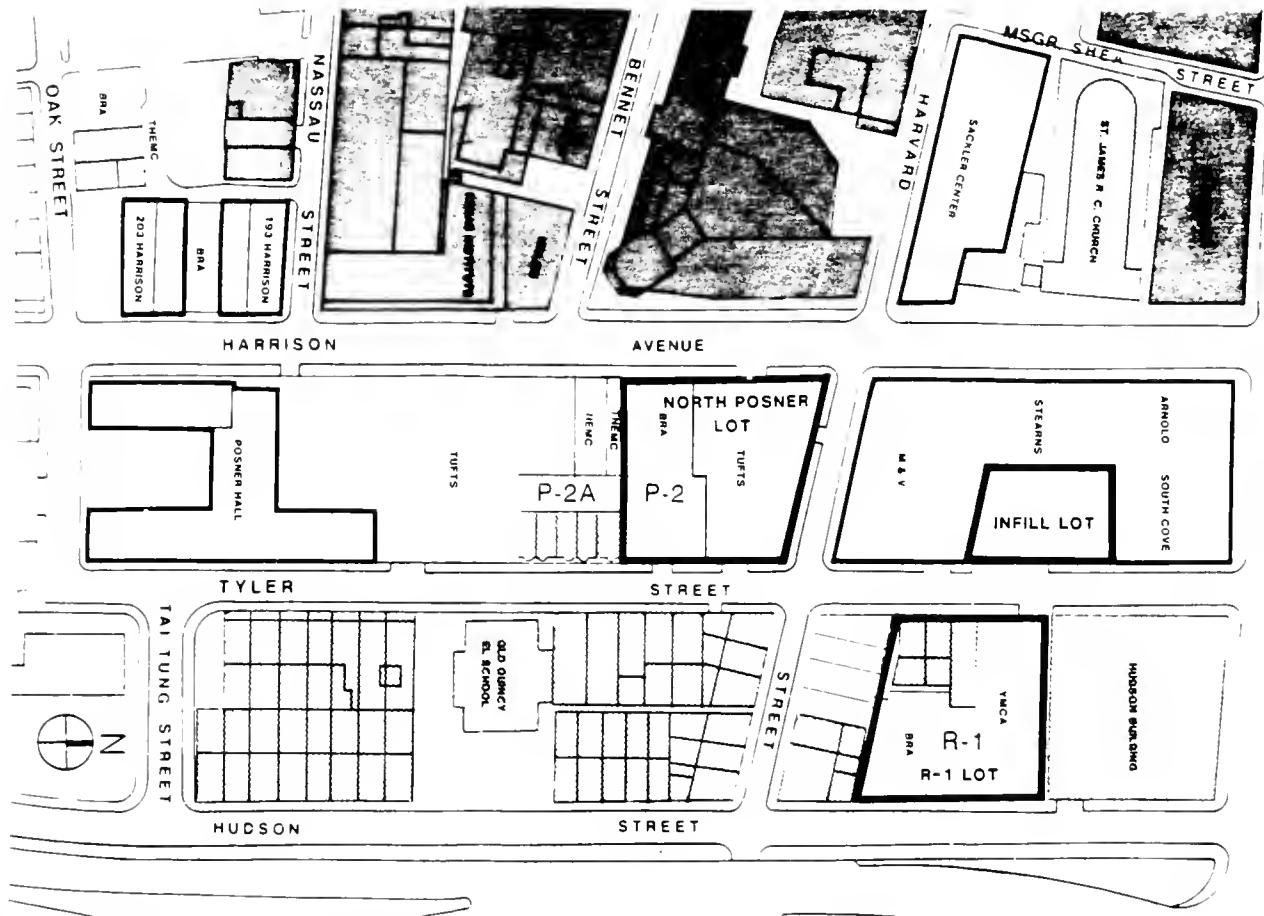
4. South Station **0**

GRAND TOTALS **1,431,100**



KNEELAND

STREET



TUFTS UNIVERSITY Health Science Campus

5 Year Plan - Program Accommodation Studies

Anthony Blackett Consultant Architect/Planner

NEMC

Community

Tufts

Commercial Space

0 25 50 100

TUFTS INTERNATIONAL RESEARCH CENTER



zoning which reflects the new Master Plan; and

3. Issuance of full permits for development of the Center by TUDC.

A revised IMP will have a number of beneficial impacts on Chinatown, consistent with the spirit and intent of the Community plan, including:

- creation of substantial new housing opportunities by a CDC/NBE and reinforcing of existing residential area;
- reinforcing and greening of pedestrian link between Asian business district and residential district;
- creation of new neighborhood public spaces;
- new neighborhood day care;
- new neighborhood business opportunities;
- creation of a permanent home for the YMCA;
- creation of laboratory space development opportunities adequate to meet Tufts' short and long term expansion requirements; and
- consolidation of institutional uses along Kneeland Street.

B. JOBS

TUDC is committed to working with the City to identify Chinatown and South Boston residents seeking employment who are suitable for the many other jobs, construction and otherwise, which will be created at the Center. TUDC proposes that Chinatown and South Boston residents be given priority for student slots to be created at the Health Sciences Academy. TUDC's full-time Employment Coordinator will use best efforts to see that at least 25% of all permanent jobs created at the Center are filled by Chinatown and South Boston residents. This will be accomplished by a substantial program of direct outreach, coordinating with existing job training and social service programs and with employers at the Center. The Employment Coordinator will also oversee compliance with the Mayor's Executive Jobs Order for construction employment.

C. AFFORDABLE HOUSING

1. Chinatown

If the University's land becomes available for the creation of housing, TUDC will work with the Chinatown community to 1) create an opportunity for the development of affordable housing where one did not exist before, and 2) enhance the affordability of that housing, whether it be rental or ownership. Preliminary massing indicates that at least 200 units of two- to four-bedroom apart-

200 units of two- to four-bedroom apartments could be constructed, with a heavy concentration of larger family units. The design presented in this proposal is intended to be conceptual. The exact unit count and bedroom mix will be determined by the NBE/CDC developer of the site. TUDC is prepared to offer technical assistance to the NBE/CDC housing developer. Such a development could become one of the most significant housing opportunities made available for Chinatown for generations.

2. South Boston

TUDC proposes to work with South Boston Community Housing, Inc. to develop affordable housing in South Boston. Specifically, TUDC proposes to make available, over and above linkage, a financial contribution of up to \$500,000, to help make these units affordable either as rental units or homeownership opportunities for South Boston residents. These funds would be made available out of construction loan proceeds for the parking and deck at the Center. TUDC is prepared to offer technical assistance to South Boston Housing, Inc. as well.

3. University Housing

TUDC will undertake a study of the housing needs of Tufts University's Health Sciences campus employees and students to determine the extent to which they place a demand upon the supply of housing in the immediate neighborhood.

TUDC is prepared to enter discussions with the BRA about ways to mitigate these demands, such as the purchase of market rate housing in the South End, where an excess of supply reportedly exists, and investigation of the possibility of locating housing in projects proposed for the Hinge Block.

D. DAY CARE

For more than sixty years, the Eliot-Pearson Department of Children Study at Tufts University has concentrated on the study of the development of young children. It is a department in College of Arts and Sciences with important links to other departments and schools at Tufts including medicine, dentistry, nutrition, sociology, education, public policy, and psychology as well as to other institutions within the Greater Boston area. Integral facilities of the Department include the Eliot-Pearson Children's School, the Tufts Educational Day Care Center, and the Pitcher Curriculum Resource Laboratory and Media Center. The Department offers graduate programs in Applied Child Development leading to M.A., M.Ed., M.A.T., and Ph.D. degrees.

The Tufts Educational Day Care Center, founded in 1969, has long been a national, regional, and local model for the field of early childhood education. Affiliated as a laboratory for the Eliot-Pearson Department of Child Study, Tufts Day Care offers an innovative year-round, full-day educational preschool and

kindergarten program for children from within the Tufts community and its surrounding cities.

The Center is located in a state-of-the-art preschool facility on the Tufts main campus. Each of the four classrooms is staffed by three teachers who hold either Bachelor's or Master's degrees in early childhood education and by a variety of graduate teaching assistants, student teachers and undergraduate field workers.

TUDC will comply with the requirements of Article 40 by constructing a minimum of 12,000 s. f. of day care space. 4,000 s. f. of this space will be constructed at the Center and 4,000 s. f. will be constructed as part of the proposed new development in Chinatown. An additional 4,000 s. f. will be constructed in South Boston.

As has been demonstrated repeatedly by Tufts University over the years, it is committed to quality child care. TUDC is eager for the opportunity to demonstrate this commitment again at the Center, in Chinatown, and in South Boston by making available consultation services of the Tufts University faculty and staff.

E. CULTURAL/COMMUNITY SPACE

The conceptual design for the Chinatown housing development includes a cultural/community space. TUDC would

support the inclusion of such an amenity in a new development in South Cove.

F. OPEN/RECREATION SPACE

Development of the IMP as proposed will actually increase the amount of useable public open and recreation space in Chinatown by placing this land in the control of an NBE/CDC which could, as the enclosed design indicates include such space in its planning for the site. As shown, a pocket park/amphitheatre could be created on Tyler Street for use by the general public. A controlled play area could be created for the day care center. New recreational facilities could be constructed for the YMCA. A general "greening" and improvement in quality of the street scape would result from new plantings, street furniture and amenities which would be part of the development. These improvements would be focused along Harrison Avenue and Tyler Street and could culminate in a new cul-de-sac in front of Tai Tung Village at the corner of Tyler and Oak Streets.

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